

<p>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p>VILLAGE HOMES,</p> <p>v.</p> <p>Respondent:</p> <p>JEFFERSON COUNTY BOARD OF EQUALIZATION.</p>	<p>Docket No.: 46285</p>
<p>ORDER</p>	

THIS MATTER was heard by the Board of Assessment Appeals on March 1, 2007, Debra A. Baumbach and Lyle D. Hansen presiding. Petitioner was represented by Richard Olona, Esq. Respondent was represented by Writer Mott, Esq. Petitioner is protesting the 2005 actual value of the subject property.

PROPERTY DESCRIPTION:

Subject property is described as follows:

**Village of Five Parks Subdivision, Flg. 1, 2, & 3
Schedule #439724 + 98**

The subject property is a platted residential subdivision consisting of three filings. Ninety nine lots are the subject of this appeal. The lots range in size from .115 to .227 accommodating a variety of single-family residences, condominium, townhome units, patio homes and multi-family construction.

ISSUES:

Petitioner:

Petitioner contends that the respondent utilized comparable sales of individual lots that were not comparable in location and subdivision quality to the subject property. Petitioner further contends that, in the present worth analysis, the Respondent utilized lot sales that ultimately did not close resulting in a shorter sellout period and a higher value indication.

Respondent:

Respondent contends that the petitioner utilized bulk lot sales and not individual lot sales to derive a value indication for the subject property. Respondent further contends that the Petitioner's absorption analysis was improper in that the Petitioner did not include lot sales where home construction had begun even though the lot sale did not close.

FINDINGS OF FACT:

1. Based on the market approach, Petitioner presented an indicated value of \$4,612,686.00 for the subject property.

2. Petitioner presented six comparable bulk lot sales ranging in sales price from \$52,000.00 to \$64,000.00 per lot and in size from 6,000 to 8,712 square feet. After adjustments were made, the sales ranged from \$41,250.00 to \$64,000.00 per lot.

3. In Petitioner's present worth analysis, sales contracts that fell through, reverting back to the builder, were deducted from the analysis. Petitioner indicated upwards of 50% of sales have fallen through during the base period. Therefore, Petitioner concluded to an absorption period of five years. After applying the discounting process, this produced an indicated present worth of \$47,634 per lot for Filings 1 & 2 and \$34,747 for Filing 3.

4. Petitioner is requesting a 2005 actual value of \$4,612,686.00 for the subject property.

5. Respondent presented an indicated value of \$6,703,100.00 for the subject property based on the market approach.

6. Respondent presented three comparable sales ranging in sales price from \$91,600.00 to \$112,000.00 per lot and in size from .172 to .209 per acre. After adjustments were made, the sales ranged from \$87,000.00 to \$112,000.00. Respondent concluded to a value of \$90,000 per lot for Filings 1 and 2 and \$75,600 per lot for Filing 3.

7. Respondent's present worth analysis followed the ARL guidelines and included all sales that took place during the base period and did not deduct any contracts that fell through in the analysis.

8. Respondent assigned an actual value of \$6,703,908.00 to the subject property for tax year 2005.

9. The Board concluded that Petitioner's utilization of bulk lot sales to derive a value for

an individual lot was not a true indication of individual lot values. Bulk lot sales involve multiple lots reflecting higher discounts for each lot due to the high volume involved in the sale.

10. The Board adjusted Respondent's comparable sales downward for superior location, superior subdivision quality, differences in lot size, and, for superior lot view. The Board concluded to an indicated value per lot in Filings 1 and 2 at \$76,000 and \$65,000 for Filing 3.

11. The Board accepted the Respondent's present worth analysis and absorption periods for Filings 1, 2, and 3. The Board accepted the discount rate indicated by both Petitioner and Respondent of 11.5%.

12. Based on the locations of standard lots in Filings 1 & 2, the Board concluded to a value of \$64,600. Lots located adjacent to retail space were valued at \$61,400 and lots located adjacent to open space were valued at \$71,100. In Filing 3, standard lots were valued at \$52,400 and lots located adjacent to open space were valued at \$57,700.

13. The Board concluded to a total discounted value for the 99 lots of \$6,473,960.00.

CONCLUSIONS OF LAW:

1. Sufficient probative evidence and testimony was provided to prove that the subject property was incorrectly valued for tax year 2005.

ORDER:

Respondent is ordered to reduce the 2005 actual value of the subject property to \$6,473,960.00.

The Jefferson County Assessor is directed to change his/her records accordingly.

APPEAL:

Petitioner may petition the Court of Appeals for judicial review within 45 days from the date of this decision.

If Respondent alleges procedural errors or errors of law by this Board, Respondent may petition the Court of Appeals for judicial review within 30 days from the date of this decision.

DATED and MAILED this 14th day of April 2007.

BOARD OF ASSESSMENT APPEALS

DATED and MAILED this 14th day of April 2007.

BOARD OF ASSESSMENT APPEALS

Debra A. Baumbach

Debra A. Baumbach

Lyle D. Hansen

Lyle D. Hansen

This decision was put on the record

APR 13 2007

I hereby certify that this is a true
and correct copy of the decision of
the Board of Assessment Appeals.

Diane M. Fechisin

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